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Signed and Filed: February 27, 2019

DENNIS MONTALI  
U.S. Bankruptcy Judge

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and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**  
**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric  
Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

Bankruptcy Case  
No. 19-30088 (DM)

Chapter 11  
(Lead Case)  
(Jointly Administered)

**FINAL ORDER PURSUANT TO 11 U.S.C. §§  
105(a), 362(d), 363(b), 363(c), AND 364 AND FED.  
R. BANKR. P. 4001, 6003, AND 6004  
(I) AUTHORIZING THE DEBTORS TO (A)  
MAINTAIN INSURANCE POLICIES,  
WORKERS' COMPENSATION PROGRAM,  
AND SURETY BOND PROGRAM AND (B) PAY  
ALL OBLIGATIONS WITH RESPECT  
THERETO; AND (II) GRANTING RELIEF  
FROM THE AUTOMATIC STAY WITH  
RESPECT TO WORKERS' COMPENSATION  
CLAIMS**

1           Upon the Motion, dated January 29, 2019 (the “**Motion**”),<sup>1</sup> of PG&E Corporation (“**PG&E**  
2 **Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as debtors and debtors in possession  
3 (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11**  
4 **Cases**”), pursuant to sections 105(a), 362(d), 363(b), 363(c), and 364 of title 11 of the United States  
5 Code (the “**Bankruptcy Code**”) and Rules 4001, 6003, and 6004 of the Federal Rules of Bankruptcy  
6 Procedure (the “**Bankruptcy Rules**”), for interim and final authority (i) to (a) maintain their Insurance  
7 Policies, Workers’ Compensation Program, and Surety Bond Program and to perform their obligations  
8 with respect thereto during these Chapter 11 Cases, and (b) pay any prepetition obligations arising under  
9 or related to the Insurance Policies, Workers’ Compensation Program, or Surety Bond Program; and  
10 (ii) modifying the automatic stay to the extent necessary to permit the Debtors’ employees to proceed  
11 with any claims they may have under the Workers’ Compensation Program; and granting related relief;  
12 all as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and  
13 the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, the *Order Referring Bankruptcy*  
14 *Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.), and Rule 5011-1(a) of the  
15 Bankruptcy Local Rules for the United States District Court for the Northern District of California  
16 (the “**Bankruptcy Local Rules**”); and consideration of the Motion and the requested relief being a core  
17 proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28  
18 U.S.C. §§ 1408 and 1409; and the Court having found and determined that notice of the Motion as  
19 provided to the parties listed therein is reasonable and sufficient, and it appearing that no other or further  
20 notice need be provided; and this Court having reviewed the Motion and the Wells Declaration (as  
21 amended on February 2, 2019 [Docket No. 263]); and this Court having held hearings to consider the  
22 relief requested in the Motion on an interim and final basis; and this Court having previously entered an  
23 order granting interim relief with respect to the Motion [Docket No. 211]; and this Court having  
24 determined that the legal and factual bases set forth in the Motion establish just cause for the relief  
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26 <sup>1</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such  
27 terms in the Motion.  
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1 granted herein; and it appearing that the relief requested in the Motion is in the best interests of the  
2 Debtors, their estates, creditors, shareholders, and all parties in interest; and upon all of the proceedings  
3 had before this Court and after due deliberation and sufficient cause appearing therefor,

4 **IT IS HEREBY ORDERED THAT:**

5 1. The Motion is granted on a final basis, as provided herein.

6 2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363, and 364 of  
7 the Bankruptcy Code, to continue and maintain all Insurance Policies,<sup>2</sup> the Workers' Compensation  
8 Program (including providing additional Collateral), and the Surety Bond Program, and to perform all  
9 of their obligations with respect thereto, and to pay any amounts owed with respect to the Insurance  
10 Policies, the Service Provider Fees, the Workers' Compensation Program, the Workers' Compensation  
11 Claims, and the Surety Bond Program.

12 3. The Debtors are authorized, but not directed, in the ordinary course of business to revise,  
13 renew, roll over, replace, extend, supplement or otherwise modify their insurance coverage as needed,  
14 including, without limitation, through the purchase of new or the renewal of existing Insurance Policies;  
15 *provided, however*, that the Debtors shall provide the attorneys for each of the Official Committee of  
16 Unsecured Creditors, the Official Committee of Tort Creditors, any other statutory committee appointed  
17 in these Chapter 11 Cases, and counsel to the agent under the Debtors' debtor-in-possession financing  
18 facility with five (5) calendar days' written notice prior to purchasing any new Insurance Policies that  
19 contemplate or provide coverage that would be materially inconsistent with the Debtors' current  
20 coverage under their existing Insurance Policies.

21 4. The Debtors are authorized, but not directed, to renew or to obtain and provide additional  
22 or new Surety Bonds, and to take all appropriate actions in connection therewith, including providing  
23 any cash or other collateral, as required under existing, renewed or new Surety Bonds.

24 5. Pursuant to section 362(d) of the Bankruptcy Code, to the extent any of the Debtors'

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26 <sup>2</sup> For the avoidance of doubt, the term Insurance Policies shall include all insurance policies issued or  
27 providing coverage to the Debtors at any time, whether expired, current or prospective, and any  
28 agreements related thereto.

1 employees hold claims under or in connection with the Workers' Compensation Program, in the Debtors'  
2 sole discretion, such employees are authorized to proceed with their Workers' Compensation Claims  
3 through and including the collection or payment of any judgment or claim in the appropriate judicial or  
4 administrative forum under the Workers' Compensation Program; *provided*, that, the prosecution of such  
5 claims is in accordance with the Workers' Compensation Program and the recoveries are limited to the  
6 proceeds available under the Workers' Compensation Program.

7 6. Nothing herein alters or amends the terms and conditions of any of the Insurance Policies  
8 or relieves the Debtors of any of their obligations under the Insurance Policies.

9 7. Applicable banks and financial institutions are authorized, but not directed, at the  
10 Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks  
11 issued or to be issued or electronic funds transfers requested or to be requested by the Debtors relating  
12 to the Insurance Obligations, the Workers' Compensation Claims, the Surety Bond Obligations or the  
13 Service Provider Fees.

14 8. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect  
15 new electronic funds transfers on account of the Insurance Obligations, the Workers' Compensation  
16 Claims, the Surety Bond Obligations and the Service Provider Fees, to replace any prepetition checks or  
17 electronic funds transfer requests that may be lost, dishonored, or rejected as a result of the  
18 commencement of the Chapter 11 Case.

19 9. Nothing contained in this Final Order or in the Motion is intended to be or shall be  
20 construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the  
21 Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or  
22 assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy  
23 Code. Likewise any payment made pursuant to this Final Order is not intended to be and shall not be  
24 construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such  
25 claim subsequently.

26 10. Notwithstanding entry of this Final Order, nothing herein shall create, nor is intended to  
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1 create, any rights in favor of or enhance the status of any claim held by, any party.

2 11. The requirements of Bankruptcy Rules 4001(d) and 6004(a) have been satisfied.

3 12. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(2) and 6004(h), this Final  
4 Order shall be immediately effective and enforceable upon its entry.

5 13. The Debtors are authorized to take all steps necessary or appropriate to carry out this  
6 Final Order.

7 14. This Court shall retain jurisdiction to hear and determine all matters arising from or  
8 related to the implementation, interpretation, or enforcement of this Final Order.

9 \*\* END OF ORDER \*\*  
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